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**FISCAL IMPACT STATEMENT**

**LS 7180**

**BILL NUMBER:** SB 226

**NOTE PREPARED:** Jan 1, 2007

**BILL AMENDED:**

**SUBJECT:** University Bonds for Research and Technology.

**FIRST AUTHOR:** Sen. Simpson

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
☐ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill adds software and related capital costs for the operation of a building facility to the costs that may be included in a state educational institution's bond issue for a capital project.

The bill provides that bonds may be issued by a state educational institution for equipment, software, and other capital purposes related to operating a building facility without the approval of the General Assembly if, after the issuance, the total amount of bonds outstanding will not exceed \$10,000,000.

The bill increases the cap on the amount of bonds that a state educational institution may have outstanding for qualified energy savings projects from \$10,000,000 to \$20,000,000.

The bill authorizes a state educational institution to issue bonds without the approval of the General Assembly for: (1) certain technology expenditures; and (2) projects in which a gift, grant, or reimbursement is available to repay the bond. The bill also makes related changes.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** The bill would increase the ability of state colleges and universities to bond for projects. The increase in bonding capacity is unknown. The state is scheduled to pay about \$131.1 M in fee replacement debt service payments for FY 2007. If the increase in bonding is for projects eligible for fee replacement, then there could be an increase in General Fund expenditures subject to appropriations.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** State Colleges and Universities.

**Local Agencies Affected:**

**Information Sources:**

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